



July 26, 2005

46-month prison sentence in \$267,000 bank-fraud scheme

Joe Martinez obtained cash through stolen tax refund checks and fraudulent auto loans

A federal judge has sentenced **Joe Martinez** to 46 months in prison for a bank fraud scheme that involved approximately \$267,000 in stolen tax refund checks and fraudulent auto loans.

United States Attorney Robert Clark Corrente announced the sentence, which Chief U.S. District Court Judge Ernest C. Torres imposed on July 22 in U.S. District Court, Providence. Judge Torres also ordered Martinez, 34, to repay a bank and a credit union \$214,493 in restitution.

In April, Martinez, whose address is not reflected in court records, pleaded guilty to conspiracy to commit bank fraud. At the plea hearing, Assistant U.S. Attorney Terrence P. Donnelly said that the government could prove that Martinez engaged in a conspiracy to obtain fraudulently obtained checks, deposit them in local financial institutions, and make cash withdrawals before the fraud was detected.

In 1995, Martinez opened a tax return preparation business called "Tax Master" at 517 Hartford Avenue, Providence. Evidence developed in an investigation by U.S. Secret Service agents showed that the business was a sham and Martinez used it and the address as a base for obtaining stolen tax refund checks and fraudulent auto loans.

In 2004, using the name Joan Martinez and a fraudulently obtained Rhode Island driver's license in that name, Martinez opened an account at Domestic Bank. He and coconspirators then obtained checks by theft and fraud and deposited them in the account. Among the stolen checks were twelve federal tax refund checks, including one for \$40,000. The conspirators obtained \$100,933 through the stolen checks.

Martinez, who has several aliases, and a coconspirator identified as Andy Almanzar also fraudulently obtained money through a bogus car dealership called "Andy's Auto Sales," listed at the same address as the sham tax business. Using the facade of Andy's Auto Sales and other dealerships, the conspirators fraudulently obtained auto loans from Digital Federal Credit Union by having accomplices apply for loans with false names and false documentation of pending auto sales. The conspirators fraudulently obtained \$166,268 through eight loan checks.

Agents traced the Vehicle Identification Numbers (VIN) used in the false loan applications to vehicles that Rhode Island dealerships and had recently sold, legitimately, to other individuals who were not involved in the scheme and who had not resold the vehicles.

Agents have thus far been unable to track down or positively identify Martinez's accomplice, Almanzar.

Martinez, a native of the Dominican Republic, is subject to deportation after he is released from prison.

The Secret Service investigated the case. Assistant U.S. Attorney Donnelly prosecuted it.